(O-2025-90)

ORDINANCE NUMBER O- 21933 (NEW SERIES)

DATE OF FINAL PASSAGE __MAR 11 2025

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE PROPERTY TAX EXCHANGE AGREEMENT FOR THE ANNEXATION OF THE NAKANO PROJECT PROPERTY INTO THE JURISDICTIONAL BOUNDARIES OF THE CITY OF SAN DIEGO.

RECITALS

The Council of the City of San Diego (Council) adopts this Ordinance based on the following:

A. Tri Pointe Homes IE-SD, Inc., Owner/Permittee, (Tri Pointe Homes) filed an application to obtain approvals from the City of Chula Vista for a residential development known as the Nakano Project, located in proximity to Dennery Road and Ocean View Parkway, abutting the City of San Diego, and legally described as that portion of the northeast quarter of the southeast quarter of section 24, township 18 south, range 2 west, San Bernardino Meridian in the City of Chula Vista, County of San Diego, State of California, according to the official plat thereof described as follows: Beginning at the southeast corner of said northeast quarter of the southeast quarter; thence along the south line thereof South 89°42'04" West, 1069.30 feet to the easterly line of freeway described in final order of condemnation recorded July 22, 1968 as File No. 123488 official records; thence along said easterly line North 3°47'10" East, 918.10 feet; thence North 80°52'26" East, 1030.62 feet to the east line of said section; thence along said east line South 0°28'33" West, 1074.02 feet to the point of beginning and Lot 'C' of Dennery Ranch Village 2/3 according to Map thereof no. 15592, in the City of San Diego, County of San Diego, State of California, filed in the office of the County Recorder of San Diego County on August 15, 2007.

- B. The Nakano Project proposes the development of up to 221 multiple dwelling units, including 22 affordable units, private open space amenity areas, and connecting trails to the Otay Valley Regional Park on a 23.8-acre site (Nakano Project).
- C. Tri Pointe Homes, Inc. proposes to have the Nakano Project site detached from both the City of Chula Vista and Otay Water District and annexed into the City of San Diego since the Nakano Project site can only be accessed and receive services from the City of San Diego.
- D. The City of San Diego and the City of Chula Vista have entered into a cooperative Memorandum of Understanding (MOU) approved on December 7, 2021.
- E. The MOU specifies that the Project shall be developed in accordance with the general plans and local ordinances of both Chula Vista and San Diego, as the site is intended to be detached from the City of Chula Vista and annexed into the City of San Diego.
- F. Representatives of the City of San Diego, City of Chula Vista, and Tri Pointe

 Homes have negotiated an agreement, for the independent review and approval of public agency

 decision-makers, identifying the rights and duties of said parties that would facilitate orderly

 development of the Nakano Project (Annexation Agreement).
- G. The Annexation Agreement outlines the process to detach approximately 23.8 acres of the Nakano Project site from the City of Chula Vista and Otay Water District and annex the property into the jurisdictional boundaries of the City of San Diego which is referred to as a reorganization.
- H. California Revenue and Taxation Code Section 99 requires the negotiation of any exchange of property tax revenues due to jurisdictional changes between agencies affected.

- I. The City of San Diego and the City of Chula Vista have negotiated to determine an equitable exchange of property tax revenues applicable to the proposed jurisdictional changes (Property Tax Exchange Agreement).
- J. The Office of the City Attorney prepared this Ordinance based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete and accurate.
- K. Under San Diego Charter section 280(a)(2), this Ordinance is not subject to veto by the Mayor because this matter requires the Council to act as a quasi-judicial body and where a public hearing was required by law implicating due process rights of individuals affected by the decision and where the Council was required by law to consider evidence at the hearing and to make legal findings based on the evidence presented.
- L. The Agreement is subject to San Diego Charter section 99, which provides (subject to certain exceptions) that no contract, agreement, or obligation creating indebtedness and extending for a period of more than five years may be authorized except by ordinance adopted by a two-thirds majority of the Council.

ACTION ITEMS

Be it ordained by the Council of the City of San Diego:

- Section 1. The Council approves the Property Tax Exchange Agreement.
- Section 2. The Mayor or designee is authorized, on the City's behalf, to sign the Property Tax Exchange Agreement. When signed by both parties, the Property Tax Exchange Agreement will be on file in the office of the City Clerk as Document No. OO- 21933

Section 3. The Council dispenses with a full reading of this Ordinance before its passage because a written copy of this Ordinance was made available to the Council and the public before the date of its passage.

Section 4. This Ordinance will take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: HEATHER FERBERT, City Attorney

By

Cdrrine L. Neuffer

Senior Chief Deputy City Attorney

CLN:jn2

February 20, 2025

Or.Dept: DSD Doc. No. 3967226

I certify that the Council of the City of San Diego adopted this Ordinance at a meeting held on MAR 11 2025

DIANA J.S. FUENTES City Clerk

Deputy City Clerk

Passed by the Council of Th	e City of San Di	ego on	MAR 1 1 2025	_, by the following vote:
Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	. /	П	. 🗍	
Jennifer Campbell	Й	П	. 🗍	
Stephen Whitburn	. <u>Л</u>	Π.	$\bar{\sqcap}$	
Henry L. Foster III	<u></u>		П	П
Marni von Wilpert			П	П
Kent Lee	$\overline{\gamma}$			
Raul A. Campillo	, T	П		
Vivian Moreno	$\overline{\mathcal{A}}$	П	$\overline{\sqcap}$	
Sean Elo-Rivera	· A			
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Date of final passage	MAR 1 1 2025	·		
			TODD GI	ORIA
AUTHENTICATED BY: Mayor of The City of San Diego, Califo				San Diego, California.
			DIANA I.S. FU	IENTES
(Seal)		City Clerk of The City of San Diego, California.		
		Du /	Sonni F) <i>HerSon</i> , Deputy
		Ву	enne ja	, Deputy
I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on				
days had elapsed between t	the day of its in	troduction and	the day of its fina	al passage, to wit, on
FEB 2.5 2025	,	and on	MAR 1 1 202	5
I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.				
			DIANA J.S. F	
(Seal) City Clerk of The City of San Diego, California.				
		Ву	nnie Par	tewor, Deputy
		Office	on City Clark Con-	Diago California
		Office of the City Clerk, San Diego, California		
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